

The Ethical Property Foundation - 4756158

Annual Report and Accounts 2009/10



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Legal and administrative information

Registered charity name: The Ethical Property Foundation

Charity registration number: 1101812

Company registration number: 04756158 (Company limited by guarantee)

Registered office: Development House
56 – 64 Leonard Street
London
EC2A 4LT

Trustees:

J S Broad

R Brooke

(resigned 9 December 2009)

S Clarke

(resigned 9 June 2010)

D J Hunter

E Kotze

D I Lipfriend

W J Scott

JNH Whitaker

(appointed 20 October 2009)

P Allen

(appointed 20 October 2009 and resigned 8 December 2010)

Company secretary

J C Taylor

(appointed 20 October 2009)

S Kelly

(resigned 28 October 2009)

Director.

J C Taylor

Bankers:

The Co-operative Bank
1 Balloon Street
Manchester
M60 4EP

Auditors:

Critchleys
Chartered Accountants and Business Advisers
Greyfriars Court
Paradise Square
Oxford
OX1 1BE

Governing document:

Memorandum and Articles of Association
(dated 17 April 2003 and modified October 2009)

Website:

www.ethicalproperty.org.uk

The Ethical Property Foundation

Report of the Trustee Board

for the year ended 30 September 2010

Objectives and activities

The Ethical Property Foundation promotes the use of property for a better society and environment. The Foundation helps charities and community groups thrive by solving their property problems, and works towards a fairer commercial property sector.

The Ethical Property Foundation is part of the Ethical Property family - a grouping comprising the Foundation, the Ethical Property Company, Ethical Property Europe and Ethical IT. The Ethical Property family is committed to making the best use of property for society and the environment. We work to define what ethical property means, to demonstrate it in action and inspire others to put it into practice.

In pursuit of this shared mission, the Foundation aims to

Aim 1

- increase the effectiveness of charities and community groups by helping them to make better use of property

Aim 2

- reduce the environmental and social impacts of the commercial property sector

The Foundation works towards these aims by

Objective 1 Property Advice Service

- providing information, support and free professional advice on property issues to charities and community groups

Objective 2 Planning Activism

- providing information and training on planning and development to individuals and community groups

Objective 3 Supporting Social Change

- undertaking research into the provision of charity-specific office space across Europe

Objective 4 Ethical Workplaces (previously Ethical Property Standard)

- developing a quality standard for the ethical management and occupation of buildings

Public benefit statement

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to guidance in respect of public benefit published by the Charities Commission.

The Trustees are satisfied that all the objectives and activities outlined in this report are undertaken for public benefit.

Achievements and performance

Objective 1 Property Advice Service

- providing information, support and free professional advice on property issues to charities and community groups

Although almost all charities and community groups come into contact with the commercial property world through letting or buying a building to run their projects, few have the skills and experience needed to avoid costly mistakes. As a result, many spend unnecessarily large amounts of time and money dealing with property issues – resources that could be better spent on their charitable work.

The Foundation's unique Property Advice Service was launched in London in 2005 in response to the lack of affordable, independent property advice for small charities and community groups. The Service provides

- a jargon-free web-based guide to charity property issues
- hands-on support to the least well resourced charities
- access to free expert property advice via a Register of Property Professionals
- charity-focused property training

The service was extended to the South West with the opening of a Bristol office in 2007.

The Service multiplies the impact of each £1 of its funding by helping charities reduce their property costs and risks, and use property to generate new income and opportunities.

Key achievements

- 348 small charities and community groups benefit from free property advice and support
- Foundation-led team of professionals secure new building for Sikh community in Bristol
- £17,400 worth of professional advice secured for small charities and community groups

Progress against the goals set by the Foundation for 2009/10 is summarised below.

Goal 1 Continue the expansion of the Property Advice Service to a national service, building our London and Bristol offices into regional presences, and developing the Service for launch in at least one new region

The Foundation's no-nonsense guide to property issues for charities continues to be a well used resource. 870 charities are now using our web-based information resources.

'The EPF website is a really useful guide to all the 'must do' elements of buying a property. The personal advice which we've received from EPF has also been very helpful. Many thanks from War on Want!', War on Want

'I would also like to mention your excellent website, it has helped me tremendously with the project I am planning and answered many of my questions relating to process, steps and milestones. I suspect that it might well be used a lot over the coming months', Outward

This year, our London and Bristol-based property advice teams have provided tailored support to 113 charities in the capital and the South West, bringing the total number of charities assisted since we launched in 2005 to 588.

Over 25% of charities assisted this year have an annual turnover of less than £10,000 and 40% have a turnover below £100,000

The ultimate beneficiaries of the Property Advice Service are the disadvantaged individuals and communities served by the charities we support. Organisations supported this year include those that work with refugees and asylum seekers, older people, children and families, victims of crime, people with disabilities, the economically disadvantaged, people living in the developing world, and organisations that tackle environmental justice issues

Unlocking potential

In 2008, the Bristol-based Sikh Resource Centre (SRC) had big ideas, an outgrown building and no funds to acquire new space. The Foundation helped SRC gain Bristol City Council's consent to remove a £48,000 charge on their property, giving them an unencumbered freehold to use as security for a loan.

In 2009, SRC learned of the disposal of Barton Hill Nursery School by informal tender. The Foundation brought together a team of professionals from our Register, including an agent, a building surveyor, a solicitor and Triodos Bank, and co-ordinated a successful tender, purchasing the building. This saved SRC over £3,000 in professional fees, and the new building unlocks the potential of SRC to build better lives for members of the Sikh community.

'We are very pleased with the outcome and on behalf of the whole Sikh community would like to convey our utmost appreciation', Sikh Resource Centre

The Foundation's Register of Property Professionals now numbers 65 commercial property surveyors, valuers, agents, solicitors and architects. Monitoring and evaluation has shown that each charity referred to our Register of Property Professionals receives, on average, £600 worth of free professional advice. Therefore, over the life of the Property Advice Service, £95,400 worth of free advice has been secured for the charity sector. This year, the Foundation has secured £17,400 of free professional advice for 29 charities.

The Foundation has held well-attended receptions in London and Bristol to celebrate the work of our Register of Property Professionals.

The Foundation has welcomed 303 delegates to training and workshops which have covered subjects including property management, asset transfer, relocation, taking on a lease and reducing the environmental impact of premises.

This year, Bristol City Council has issued its asset transfer policy for consultation. This is the culmination of three years' work by the Foundation, which first held a conference in 2007 seeking to galvanise action on asset transfer policy in the city. The Foundation has since worked closely with council officers and voluntary sector partners to ensure that asset transfer has remained on the agenda.

The Foundation team has modelled and assessed a number of strategies for expanding the geographical reach of the Property Advice Service. The preferred expansion strategy is to offer a web, 'phone and e-mail-based service to charities England-wide. The development of further staffed regional offices, allowing face to face advice and support to charities, is dependent on building a sustainable financial model for the Property Advice Service as a whole.

The Foundation is grateful to the Big Lottery Fund, Capacitybuilders, City Bridge Trust, Trust for London, Esmée Fairbairn Foundation, London Councils and Tudor Trust for their support for the Property Advice Service.

Future plans

The Foundation has set the following goals for 2010/11

- to continue to deliver high quality, appropriate property advice and guidance to charities in London and the South West
- to secure funding to develop and launch a 'phone-based property mentoring service available to all charities and community groups in England
- to commence development of a financial model for the Property Advice Service that will underpin future growth

Objective 2 Planning Activism

- providing information and training on planning and development to individuals and community groups

A planning obligation is the contract, between a developer and local authority, that accompanies planning permission, and sets out the contribution the developer will make to meeting the costs imposed by the development. £1.9 billion for affordable housing, education, transport, open space, and community and leisure facilities was secured through planning obligations in 2003/04, with 40% of major residential developments attracting a planning obligations agreement. There is considerable potential for community groups to engage with this process and secure community benefits. However, due to the lack of information available to communities on planning obligations, in many cases this opportunity is lost.

The Community Infrastructure Levy (CIL) is part of the Planning Reform Bill 2008 and will partly replace planning obligations, although planning obligations will still be used to negotiate some contributions from the developer. With minor changes in emphasis, CIL has been preserved with the change in administration. Early adopter local authorities have commenced testing and implementation.

In the meantime, planning obligations are still being dealt with under Section 106, although the recession in the building industry has meant that some negotiations have become increasingly difficult.

Progress against the goals set by the Foundation for 2009/10 is summarised below.

Goal 1 To integrate the provision of planning and development information into the Foundation's Property Advice Service

The Foundation's publication 'No Pain Guide to Gain: A Community Guide to Planning Obligations' (2008) is now available as an integral part of our on-line resources for charities and community groups. We continue to assist charities seeking advice and guidance on planning and development issues via our team of property advisers, Register of Property Professionals and through referrals to organisations specialising in advice on planning issues.

Future plans

This is now included within Objective 1: Property Advice Service.

Objective 3: Supporting Social Change

- undertaking research into the provision of charity-specific office space across Europe

There are certain problems within our society that can only be solved if society itself is radically altered. Social change organisations are dedicated to tackling the root causes of these problems, whether through a change in the law, in the political or economic system, or in societal behaviour or attitude. The issues they work on reflect some of the key challenges facing society - from overseas development to peace building, to poverty in the UK. As these organisations often fundamentally challenge accepted societal norms, they can suffer from a lack of financial and public support.

Key achievements

Initial work in the Netherlands has resulted in identifying a locally-based social entrepreneur to progress development of a charity-specific office building in Amsterdam. A number of local social change organisations are already engaged with the project.

Progress against the goals set by the Foundation for 2009/10 is summarised below.

Goal 1 complete detailed research into the potential in Amsterdam and Berlin

The Foundation continued to work with the Ethical Property Company on research in the Netherlands. Nick Paterson, a property professional who started his career in the UK but for the last ten years has been working in Amsterdam, has talked to over 100 social change organisations in Amsterdam about the idea of setting up a centre there, and has now formed a steering group to lead the project forward. The first meeting of this group was held during October 2010. Interested organisations are active, amongst others, within the areas of global justice, human rights, overseas development, organisational support and women's rights.

Initial scoping studies in Germany identified a range of barriers, including the distance to Berlin (the city hosting the majority of social change organisations) and the language barrier, to further progressing work in Berlin in the foreseeable future.

Future plans

The Foundation has set the following goals for 2010/11:

- continue to commission relevant research where opportunities arise, and appropriate resources are available

Objective 4. Ethical Workplaces (previously Ethical Property Standard)

- developing a quality standard for the ethical management and occupation of buildings

The property industry contributes 18.6% of UK GDP, accounts for 73.8% or £4,050.5 billion of UK capital stock and employs 1,965,200 people. It has a huge influence in shaping the face of Britain - creating the places where we live, work and take our leisure. There are examples of excellent practice in the industry - innovative financing models for regeneration projects, developments delivering large reductions in environmental impact and social enterprises creating mixed tenure communities in desirable locations.

However, few would disagree that the property industry results in significant environmental and social impacts. In 1998, the industry generated 150 million tonnes of waste. The built environment is responsible for over 50% of the UK's CO₂ emissions. The social concerns associated with new developments range from the health and safety of construction personnel to the provision of social infrastructure and the social cohesion impacts of demographic changes.

Key achievements

- research commissioned from Kingston University identifies a market niche for an Ethical Workplaces quality mark
- the Ethical Workplaces concept is warmly received at a workshop for social and environmental justice NGOs
- a working group of NGOs commit time and resources to developing a draft business plan for the Ethical Workplaces concept

Progress against the goals set by the Foundation for 2009/10 is summarised below.

Goal 1 produce a business plan to guide the development of the Ethical Property Standard

The Foundation received the report commissioned from Kingston University, into the potential for an Ethical Property Standard in November 2009. This research found that, whilst the environmental performance of new buildings is improving, little attention is paid to the environmental and social performance of the UK's existing commercial building stock - the nation's workplaces and concluded that 'The potential educational, decision-making and negotiating benefit of a visible Ethical Property Standard would be significant.'

In June 2010, the Foundation held an 'Ethical Workplaces' workshop, the purpose of which was to explore ways of promoting more ethical practises in the management of commercial premises. Twenty diverse NGOs and think tanks, from Oxfam to the WI, and from FairPensions to the Eden Project joined the Foundation for a lively and thought provoking workshop. Overall, there was strong support for the idea of promoting better practise and there was much passion for the cause. The organisations present were committed to being involved in taking the initiative forward.

Workshop attendees identified three strategies to deliver Ethical Workplaces - a quality mark, education programme and campaigning. Following the workshop, the Foundation formed a working group of NGOs (including Forum for the Future, the Eden Project, Oxfam, Mencap, London Citizens, Global Action Plan, London Community Resource Network and the British Institute of Facilities Management) to investigate the practicality of the three strategies identified. The working group met three times in autumn / winter 2010, with a view to preparing a draft business plan for presentation at a conference in early 2011.

The Foundation is grateful to the City Bridge Trust, Trust for London, and Tudor Trust for their support for Ethical Workplaces

Future plans

The Foundation has set the following goals for 2010/11

- in partnership with a working group of interested organisations, complete development of a business plan for Ethical Workplaces
- hold a conference in January 2011 to showcase the business plan and developing thinking on the Ethical Workplaces concept to stakeholders
- initiate and facilitate a core group of relevant organisations to drive forward implementation of Ethical Workplaces

Financial Review

Overview

During the year the Foundation received income of £187,795 and spent £190,154. The Foundation therefore had an overall deficit of £2,359 for the year (2009 deficit of £88,387). With funds brought forward from previous years, the Foundation will carry forward £93,256 in reserves (2009 £95,615), of which £6,519 is restricted funding and £86,736 is unrestricted funding.

Funding

£17,670, including a proportion of staff time and overheads, was spent on external fundraising during the year.

The Foundation would like to thank all the funders who have supported our work during this year.

Capacitybuilders
City Bridge Trust
Trust for London
London Councils

Esmée Fairbairn Foundation
Tudor Trust
BIG Lottery Fund

Reserves policy

The Trustees of the charity have a formal reserves policy in line with Charity Commission guidelines, which is appropriate to the future plans in terms of the size and growth of the organisation. The policy ensures for regular monitoring of the reserves levels and ensures that the costs of winding up the organisation and honouring all outstanding contracts would be fully met.

Risk management

The Foundation maintains a risk register that is reviewed and updated on an annual basis. The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and mitigated as part of this procedure.

Structure, governance and management

The Foundation was established by its sister organisation the Ethical Property Company plc and registered as a company limited by guarantee in May 2003. The Foundation became a registered charity in January 2004.

The objects of the charity are to promote such purposes as may be charitable according to the laws of England and Wales and in particular to promote the efficiency and efficacy of charities.

The Foundation aims to empower 'consumers' of property, including charitable organisations and community groups, to make the most of property, and influence 'suppliers' of property, such as landlords and developers, to improve their environmental and social performance. The Foundation is governed by a Board of Trustees. The day to day business of the Foundation is delegated to the Director who reports to the Trustees. The Trustees meet quarterly to make medium to long-term decisions regarding the running of the Foundation.

The Board of Trustees takes responsibility for identifying gaps in its skills and finding suitable people to serve as Trustees. Trustee appointments are approved by the Foundation's sister organisation, the Ethical Property Company. Trustees serve a fixed term of 3 years, renewable only once. The Trustees are bound to ensure that they are not conflicted by any involvement in the Ethical Property Company and to ensure a quorum of Trustees who have no such connection.

The Foundation and Company work in partnership on a number of projects.

Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the accounts in accordance with applicable law and regulations

Company law requires the Trustees to prepare accounts for each financial year. Under that law the Trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the Trustees are required to

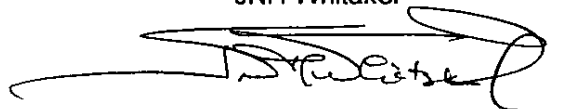
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the charity's auditors are unaware, and each Trustee has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report was approved by the Board of Trustees on 11th May 2011 and signed on its behalf by

JNH Whitaker

A handwritten signature in black ink, appearing to read 'JNH Whitaker', with a large, sweeping flourish extending to the left.

Independent auditor's report

to the members of the Ethical Property Foundation

We have audited the financial statements of Ethical Property Foundation for the year ended 30 September 2010 which comprise the Statement of Financial Activities, Balance Sheet and the related notes. These accounts have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The Trustees' (who are also the Directors of the company for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition, we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

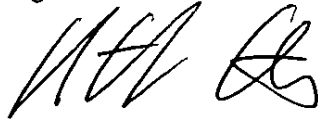
In our opinion

The financial statements give a true and fair view of the state of the charity's affairs as at 30 September 2010 and of its incoming resources and application of resources, including the income and expenditure, for the year then ended, and

The financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and

The accounts have been properly prepared in accordance with the Companies Act 2006, and

The information given in the Trustees' Annual Report is consistent with the financial statements



Robert Kirtland
Senior Statutory Auditor
For and on behalf of Critchleys LLP, Statutory Auditor

Oxford

17/5/2011

Statement of Financial Activities

for the year ended 30 September 2010

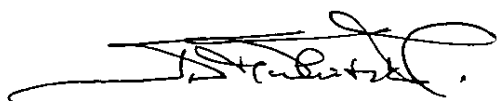
	Unrestricted Funds 2010 £	Restricted Funds 2010 £	Total Funds 2010 £	Total Funds 2009 £
Incoming Resources				
Incoming Resources from Charitable Activities				
Property Advice Service	6,094	4,120	10,214	6,855
Ethical Workplaces	-	7,000	7,000	-
Incoming Resources from Generated Funds				
Grants received	30,000	139,269	169,269	153,944
Donations received	1,004	200	1,204	100
Interest income	108	-	108	4,068
Total incoming resources	37,206	150,589	187,795	164,967
Resources Expended				
Cost of Generating Funds	17,670	-	17,670	8,649
Charitable Activities				
Property Advice Service	-	142,903	142,903	232,670
Planning Activism	-	-	-	3,264
Ethical Workplaces	-	9,216	9,216	5,958
IT Project	-	10,679	10,679	-
Governance Costs	9,686	-	9,686	2,813
Total resources expended	27,356	162,798	190,154	253,354
Net incoming / (outgoing) resources for the year	9,850	(12,209)	(2,359)	(88,387)
Transfers between funds	(5,185)	5,185	-	-
Net movement in funds	4,665	(7,024)	(2,359)	(88,387)
Funds Brought Forward at 30 September 2009	82,072	13,543	95,615	184,002
Total funds carried forward at 30 September 2010	86,737	6,519	93,256	95,615

All activities are continuing

Balance sheet **30 September 2010**

	Note	2010 £	2009 £
Current assets			
Trade debtors		13,425	33,500
Accrued income		6,674	9,927
Prepayments		2,467	-
Cash at bank and in hand		89,618	90,813
		<u>112,184</u>	<u>134,240</u>
Creditors - amounts falling due within one year			
Deferred Income	9	5,250	27,500
Trade creditors		4,382	11,125
Accruals		9,296	-
		<u>18,928</u>	<u>38,625</u>
Net current assets		93,256	95,615
Net assets		<u>93,256</u>	<u>95,615</u>
		£	£
Funds			
Unrestricted		86,737	82,072
Restricted		6,519	13,543
		<u>93,256</u>	<u>95,615</u>

The accounts were approved and authorised for issue by the Trustees on 11th May 2011
and signed on their behalf by JNH Whitaker



JNH Whitaker

Notes to accounts

1. Accounting Policies

a Basis of accounting

The accounts are prepared under the historical cost convention and in compliance with applicable accounting standards and the Companies Act 2006

b Presentation of the accounts

The charity has adopted the Statement of Recommended Practice (SORP) 'Accounting and reporting by Charities' issued in 2005

c Income and Expenditure

All items of income and expenditure, including grants receivable, are accounted for on an accruals basis. Where a grant is received where the donor has specified that part of this is to be expended in a future accounting period, this is included in deferred income and will be released to the Statement of Financial Activities in the year to which it relates. Support costs are allocated to charitable activities, the cost of generating funds and governance costs, on a proportionate basis.

d Cost of Generating Funds

Included within this caption are all costs associated with external fundraising, including a proportion of staff time and support costs.

e Governance Costs

Included within this caption are all costs associated with governing the charity, including a proportion of staff time and support costs. See note 6 for more detail.

f Funds

Unrestricted funds represent funds of the charity that are not subject to any restrictions regarding their use.

Restricted funds are those which are specified for a particular use by their donor.

2. Taxation

The Foundation is a company and a registered charity. It has exemption from taxation on any trading profits which are applied for the purposes of the charity.

3. Restricted Funds

	1st Oct 09 £	Incoming Resources £	Resources Expended £	Transfers £	30th Sept 10 £
Property Advice Service	-	143,589	(142,903)		686
Planning Activism	433	-	-		433
IT Project	7,710	-	(10,679)	2,969	-
Ethical Workplaces	-	7,000	(9,216)	2,216	-
Supporting Social Change	5,400	-	-		5,400
	13,543	150,589	(162,798)	5,185	6,519

Details of all restricted funds including their nature and purpose are included within the trustees' report.

The balance in each restricted fund at the year-end is held in cash.

4. Liability of members

Every member of the Foundation undertakes to contribute a sum not exceeding £1 to the assets of the Foundation if it is wound up during his or her membership or within one year afterwards.

5. Capital commitments

There were no capital commitments either contracted for or authorised at 30 September 2010

6. Governance Costs

	2010	2009
	£	£
Audit	1,700	1,650
Bank Charges	-	353
Statutory Returns	15	15
Trustee Expenses	505	-
Trustee Meetings	749	143
Proportion of Staff Time and Office Overheads	6,717	652
	<u>9,686</u>	<u>2,813</u>

7. Staff Costs

	2010	2009
	£	£
Wages and salaries	103,850	72,819
Employer's NI	9,603	7,071
Pension Costs	6,991	4,780
	<u>120,444</u>	<u>84,670</u>

The average number of full time equivalent employees employed throughout the year was 4.25 (2009 3.6) and no employee emoluments exceeded £60,000 during the year

8 Trustees' remuneration

There was no Trustees' remuneration during the year. Two Trustees (2009 none) were paid out of pocket expenses totalling of £505 (2009 nil) during the year

9 Deferred Income

	£
Balance at 1 October 2009	27,500
Amounts released during the year	(27,500)
Amount deferred in the year	5,250
Balance at 30 September 2010	<u>5,250</u>

This represents grants received where the donor has specified that these are to be expended in a future accounting period

10 Related Party Transactions

Trustee appointments are approved by the Foundation's sister organisation, the Ethical Property Company. The Foundation paid £7,698 to the Ethical Property Company during the year for provision of serviced office accommodation (2009 £7,561) and £1,321 for IT Support (2009 £1,601). The Foundation also received a contribution of £7,000 from the Ethical Property Company towards the costs of a scoping study into the potential for an Ethical Workplaces quality mark.